

locations served by on-base banking offices. This does not prevent:

a. A banking institution from using mail, telecommunications, or commercial advertising to serve its customers.

b. Exchange Services from distributing literature on affinity credit cards centrally acquired through competitive solicitation.

G. Supplemental Conditions for Overseas Operation

1. General

Overseas banking facilities shall operate under terms and conditions established at the time of annual contract negotiations and confirmed in respective contracts or contracting officer determinations.

2. Authorized Customers

Respective banking contracts specify personnel authorized to receive service. Additionally, overseas major commanders may approve banking services for other individuals and organizations that qualify for individual logistic support under the regulations of the DoD Component concerned, provided that use of banking services is not prevented by status of forces agreement, other intergovernmental agreement, or local law.

3. Services Rendered

Services to be rendered and related charges shall be specified in respective contracts. Suggestions for expansion or modification of authorized services, fees, or charges may be forwarded through military channels to the DC(MS). Proposals for any new service must be coordinated with the appropriate Unified Commander and U.S. Chief of Diplomatic Mission or U.S. Embassy to make certain that the proposal does not conflict with status of forces agreements or host-country law.

4. Acceptance of Services Rendered

DoD Component regulations implementing this Instruction shall require each commander for an installation (military community) with a banking facility, or designee, to:

a. Review monthly income, expense, and activity statements provided by full-time banking facilities.

b. Report to the banking facility manager within 7 calendar days of discovering any deficiency in the delivery of contractual banking services. If the deficiency is not remedied within 30 calendar days, the commander shall report the matter through military channels to the DC(MS).

5. Other Operating Conditions

a. Both the banking facility contractor and DoD disbursing officers shall ensure that cash management practices minimize the cash required to conduct business.

b. Banking facility provision of foreign currencies shall be in accordance with DoD Directive 7360.11.

c. When military payment certificates are prescribed for the area in which the overseas banking facility is operating, they shall be used in accordance with DoD Directive 7360.5 and any DoD Component regulations implementing that issuance.

d. Overseas major commanders shall cooperate with banking facilities contractors in planning for the provision or termination of banking services in the event of hostilities or other emergencies.

6. Other Overseas Banking Offices

a. Operating agreements executed under § 230.5(d) of this part shall specify authorized customers, services rendered and related charges, and conditions of operation. To the extent feasible, services and charges shall be negotiated to parallel those provided by banking facilities operated under the DoD banking contracts.

b. Before such agreements are executed, they shall be coordinated with the Unified Commander, or designee, and the DoD Component concerned. Upon approval, copies shall be provided to the DC(MS).

PART 231—FINANCIAL INSTITUTIONS ON DoD INSTALLATIONS

Sec.

231.1 Purpose.

231.2 Applicability.

231.3 Definitions.

231.4 Policy.

231.5 Responsibilities.

APPENDIX A TO PART 231—GUIDELINES FOR APPLICATION OF THE PRIVACY ACT TO FINANCIAL INSTITUTIONS ON DoD INSTALLATIONS

AUTHORITY: 10 U.S.C. 136.

SOURCE: 54 FR 33513, Aug. 15, 1989, unless otherwise noted.

§ 231.1 Purpose.

This part:

(a) Reissues DoD Directive 1000.11¹ (32 CFR part 231) and updates policies and responsibilities for financial institutions that serve DoD personnel on DoD installations worldwide. Associated procedures are contained in DoD Instruction 1000.10² (32 CFR part 231a)

¹Copies may be obtained, if needed, from the U.S. Naval Publications and Forms Center, Attn: Code 1053, 5801 Tabor Avenue, Philadelphia, PA 19120

²See footnote 1 to § 231.1

and DoD Instruction 1000.12³ (32 CFR part 230).

(b) Ensures that arrangements for the provision of services by financial institutions are consistent among DoD Components, and that financial institutions operating on DoD installations provide, and are provided, support consistent with the policies stated herein.

§ 231.2 Applicability.

This part applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Joint Chiefs of Staff (JCS), the Joint Staff and the supporting Joint Agencies, the Unified and Specified Commands, the Inspector General of the Department of Defense (IG, DoD), the Uniformed Services University of the Health Sciences (USUHS), the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as “DoD Components”).

§ 231.3 Definitions.

Automated Teller Machine (ATM). An electronic machine that dispenses cash, and may perform such other functions as funds transfers among a customer’s various accounts and acceptance of deposits. Equipment generally is activated by a plastic card in combination with a personal identification number (PIN). Shared access refers to ATMs that may be used by cardholders of more than one financial institution.

Bank and/or Credit Union Liaison Officer. A commissioned officer or DoD civilian employee of equivalent grade appointed by an installation (military community) commander to work with officials of the servicing financial institution and its clients. A noncommissioned officer may be appointed if he or she is the senior financial management official at the installation.

Banking Facility. A banking office located on a DoD installation and operated by a financial institution that the Treasury Department has specifically authorized, under its designation as a “depository and financial agent of the U.S. Government,” to provide certain banking services at the installation. Such offices may be either self-sustaining or nonself-sustaining. Also

known as a military (or community) banking facility.

Banking Institution. The organization that is chartered to operate a banking office on a DoD installation. For purposes of this Directive and DoD Instructions 1000.10 and 1000.12, the term also includes savings associations as defined herein.

Banking Office. A banking facility, branch bank, or independent bank operated by a banking institution on a DoD installation. Also includes savings associations and their branches operated on a DoD installation.

Branch Bank. A separate unit chartered to operate at an on-base location geographically remote from its parent banking institution.

Credit Union. A cooperative nonprofit association, incorporated under the Federal Credit Union Act, 12 U.S.C. 1751 et seq., or similar State statute, for the purposes of encouraging thrift among its members and creating a source of credit at a fair and reasonable rate of interest.

Credit Union Branch. A subsidiary office of an existing full-service credit union.

Credit Union Facility. A facility employing a communications system with the parent credit union to conduct business at remote locations where a full-service credit union or credit union branch is impractical. Credit union facilities need not provide cash transaction services, but must disburse loans and shares via check or draft and provide competent financial counseling during normal working hours.

Defense Credit Union. A State or federally chartered credit union with a field of membership composed primarily of DoD personnel.

Discrimination. Any differential treatment in provision of services, including loan services, by a financial institution to DoD personnel and their dependents on the basis of race, color, religion, national origin, sex, marital status, age, rank, or grade. However, if uniformly applied, the amount of credit extended may be directly based upon an applicant’s total income.

DoD Personnel. All military personnel; civil service employees; other civilian employees, including special Government employees of all offices,

³See footnote 1 to § 231.1